TOWN OF DAVIE TOWN COUNCIL AGENDA REPORT

TO: Mayor and Councilmembers

FROM/PHONE: Will Allen/797-2093

SUBJECT: Resolution

TITLE OF AGENDA ITEM: A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA URGING THE BROWARD COUNTY LEGISLATIVE DELEGATION TO VOTE AGAINST FILING BROWARD COUNTY'S PROPOSED LOCAL BILL THAT WOULD AMEND PART III, CHAPTER 163, FLORIDA STATUTES, AS SUCH ACT WOULD APPLY WITHIN BROWARD COUNTY BY REDUCING THE ABILITY AND FLEXIBILITY OF COMMUNITY REDEVELOPMENT AGENCIES IN BROWARD COUNTY TO ACCOMPLISH THEIR TASK OF REDEVELOPMENT

REPORT IN BRIEF: Broward County is making its annual attempt to have legislation adopted which attempts to restrict the ability of municipalities in Broward County to create or expand community redevelopment areas and agencies. These attempts have failed in the past. Davie and other communities opposed previous legislation as evidenced by Town of Davie Resolution 99-098. This legislation did not make it through the local delegation. There was an additional Resolution adopted by the Town Council as well as by other communities which agreed that existing CRA's would not be affected by such legislation. This Resolution R-99-217 indicates principals of understanding that existing CRA's would not be subject to any review or approval by Broward County unless (1) the boundaries of the CRA would be expanded; (2) the term of the plan were be extended; or (3) the redevelopment plan were changed to such a magnitude as to require land use change.

Attached is a memorandum from Sue Delegal, of Holland & Knight on behalf of the CRA which indicates that while the County maintains existing CRA's are exempt from the proposed legislation per the previous approved conditions, the actual language of the Bill includes existing CRA's. The Bill calls into question the original findings of slum blight and places CRA activities in jeopardy. Based on this language, it is recommended the Town oppose the proposed legislation by Broward County.

PREVIOUS ACTIONS: Resolution R-99-098 adopted March 16, 1999 opposing Broward County recommendations which will negatively impact the effectiveness of the Davie CRA.

Resolution R-99-217 adopted June 16, 1999 adopting principals of understanding to be recommended to the County Board of Commissioners

CONCURRENCES: Not Applicable

RECOMMENDATIONS: Motion to approve the Resolution

ATTACHMENTS: Resolution

Resolution R-99-098 Resolution R-99-217

November 2, 2001 Memorandum from Sue Delegal of Holland & Knight

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA URGING THE BROWARD COUNTY LEGISLATIVE DELEGATION TO VOTE AGAINST FILING BROWARD COUNTY'S PROPOSED LOCAL BILL THAT WOULD AMEND PART III, CHAPTER 163, FLORIDA STATUTES, AS SUCH ACT WOULD APPLY WITHIN BROWARD COUNTY BY REDUCING THE ABILITY AND FLEXIBILITY OF COMMUNITY REDEVELOPMENT AGENCIES IN BROWARD COUNTY TO ACCOMPLISH THEIR TASK OF REDEVELOPMENT

WHEREAS, Broward County has submitted a proposed local bill to the Broward County Legislative Delegation applicable only to community development agencies of cities within Broward County (the "Bill"); and

WHEREAS, the Bill would supersede general law within Broward County and replace the uniform statewide redevelopment policy and program with a system that unduly restricts the ability of municipalities in Broward County to create and continue to operate community redevelopment agencies; and

WHEREAS, the Bill not only affects community redevelopment agencies that will be created subsequent to the effective date of the proposed legislation but would also apply to community redevelopment agencies now existing and operating; and

WHEREAS, Section 163.410, Florida Statutes, grants all powers of community redevelopment to charter counties which may then delegate those powers to municipalities within such charter counties; and

WHEREAS, the Bill will lead to existing community redevelopment agencies being recreated, making new and specific findings for slum and/or blight that will be subject to challenge, and if challenged successfully, void all prior action of a community redevelopment agency; and

WHEREAS, Broward County has delegated powers to municipalities in the past, but now wants, through the Bill, to take said powers back; and

WHEREAS, the Bill will undermine the ability of community redevelopment agencies within Broward County to upgrade their areas and be attractive to developers; and

WHEREAS, the Bill would require community redevelopment agencies to obtain approval from the County before undertaking any significant redevelopment activity; and

WHEREAS, the Bill would result in a limited number of projects with finite time limitations and give the County the ability to negotiate its share of tax

increment revenue payments; and

WHEREAS, the Bill effectively turns a community redevelopment program designed to eliminate slum and/or blight conditions, and enhance lifestyle and business conditions for residents and business owners in a community redevelopment area, into an economic development program designed to impact a limited number of fixed projects with discernible cash returns benefiting only those projects prepared to be immediately undertaken; and

WHEREAS, the Bill would significantly increase the amount of time to get amendment approvals of community redevelopment plans thus destroying the ability of community redevelopment agencies to assist private developers in a timely and opportunistic manner;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

<u>SECTION 1:</u> The foregoing recitals are hereby ratified and confirmed as true and correct by the Town Council of the Town of Davie, Florida, and incorporated herein.

<u>SECTION 2:</u> The Town Council of the Town of Davie urges each member of the Broward County Legislative Delegation to vote against filing the Bill.

<u>SECTION 3:</u> The appropriate City officials are hereby authorized and directed to cause a copy of this resolution to be delivered to each member of the Broward County Legislative Delegation.

<u>SECTION 4:</u> This Resolution shall become effective immediately upon its passage.

PASSED AND ADOPTED THIS	DAY OF	, 2001.
	MAYOR/COUNCILMEMBER	<u>. </u>
ATTEST:		
TOWN CLERK		
APPROVED THIS	DAY OF	, 2001.

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, OPPOSING ANY BROWARD COUNTY RECOMMENDATIONS WHICH WILL NEGATIVELY IMPACT THE EFFECTIVENESS OF THE DAVIE COMMUNITY REDEVELOPMENT AGENCY

WHEREAS, Broward County staff have completed drafts of plans to review CRA's throughout the County; and

WHEREAS, several of these recommendations could negatively impact the Davie CRA if approved by the County Commission; and

WHEREAS, several of the impacts could reduce state mandated funding from the County, require additional reporting to the County, and oversight and control by Broward County.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

<u>SECTION 1</u>. The Town Council does hereby oppose any recommendations by Broward County that will reduce the effectiveness of the Davie CRA.

SECTION 3. This resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS THE DAY OF MANCH 1999

MAYOR/COUNCILMEMBER

ATTEST:

APPROVED THIS 16th DAY OF MIMCH 1999

RESOLUTION _R-99-217

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, ADOPTING CERTAIN PRINCIPLES OF UNDERSTANDING AND CRITERIA TO BE RECOMMENDED TO THE BOARD OF COMMISSIONERS OF BROWARD COUNTY IN THEIR CONSIDERATION OF PROPOSED PROCEDURES GOVERNING THE COUNTY'S REVIEW OF COMMUNITY REDEVELOPMENT AGENCY'S APPLICATION AND PLANS PURSUANT TO CHAPTER 163, Part III, FLORIDA STATUTES; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, pursuant to Part III of the Community Redevelopment Act of 1969, Florida Statutes, as amended (the Act), a procedure and process is already created to formulate a workable program for utilizing appropriate private and public resources in order to eliminate and prevent the spread of slums and urban blight, to encourage needed community rehabilitation, and to provide for the redevelopment of slum and blighted areas in accordance with such provision; and

WHEREAS, pursuant to the Act, the Town has created a Community Redevelopment Agency (CRA) and identified a certain area as its community redevelopment area; and

WHEREAS, the Town has been successful in implementing redevelopment within the community redevelopment area; and

WHEREAS, the Town has agreed to certain principles and wishes to encourage and recommend additional principles developed to assure that the proposed regulations will not deter the purpose of the Act which in part is to dedicate a "source of funding for the redevelopment of areas suffering from slum or blight, or be unnecessarily burdensome" on CRAs.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA.

<u>SECTION 1</u>. The Town Council of the Town of Davie endorses the following principles of understanding regarding the administration and operation of those municipalities having established Community Redevelopment Agencies with Broward County as of the effective date of this resolution:

- a. Any future expansion of the boundary of a community redevelopment area shall require the approval of the Board of County Commissioners.
- Any extension in the duration of the original or a currently amended redevelopment plan that would continue tax increment contributions from the taxing authorities to a community

redevelopment area shall after a date certain (still to be negotiated) require the approval of the Board of County Commissioners.

c. The Annual Report of the Community Redevelopment Agency shall include a comparison of redevelopment plan goals, objectives and policies to annual program accomplishments, and an analysis comparing the taxable values of the current year tax base to the base year. This is in addition to the statutorily required financial statements. <u>Section: 2.</u> That the Town Council of the Town of Davie recommends that for those municipalities now and in the future that are required to seek the review and approval of the Board of County Commissioners of an amendment or modification to a redevelopment plan involving substantial change, that the term "substantial" be defined as:

a.A substantive amendment to a Community Redevelopment Plan shall be reviewed and approved by the Board of County Commissioners after adoption by the local municipal governing body. A substantive amendment requiring such approval of the Board shall mean:
1) an expansion to the boundary of the community redevelopment area, or 2) an extension to the term of the redevelopment plan involving the continuing contribution by the tax authorities, or 3) any changes to the redevelopment plan of such magnitude that would require a land use plan amendment.

It is understood this section would only apply to property within the Town of Davie that would be added to the redevelopment area after the date of the approval of this resolution.

SECTION 3. This resolution shall take effect immediately upon its passage and adoption.

<u>SECTION 4:</u> That the Town Clerk is hereby authorized to deliver a copy of this Resolution to each member of the Board of County Commissioners of Broward County.

PASSED AND ADOPTED THIS JOY DAY OF JUNC 1999

MAYOR/COUNCILMEMBER

APPROVED THIS 16th DAY OF JULE , 1999.

ADMINISTRATION DEPARTMENT

MEMORANDUM CRA

DATE:

June 9, 1999

TO:

Harry Venis, Mayor Jim Bush, Vice Mayor Kathy Cox, Councilmember Judy Paul, Councilmember Richard Weiner, Councilmember

THRU:

Robert Rawls, Interim Town Administrator

VIA:

Will Allen, Programs Administrator W.Q.

BY:

Glenn Irwin, Redevelopment Administrator,

RE:

Conceptual agreement to County CRA concerns

On May 5, 1999 the CRA directors of Davie, Ft. Lauderdale, and Hollywood met with the County Administrator and his staff and worked out a conceptual compromise in regards to the County's concerns on CRA's. The County Administrator was concerned that present CRA's could expand without County approval (given the flexible State definition of slum and blighted conditions) and how this affected the County's future budget due to State mandated contributions to CRA's tax increment trust funds. The original County position wanted CRA's to reduce the County's share of tax increment contributions, review and remove existing powers of CRA's, monitor CRA's activities, and required an extensive review of redevelopment plan modifications and for new areas requesting to be classified as redevelopment areas. The three major points that were conceptually agreed upon are: 1) Any boundary expansion shall be subject to approval of the Board of Broward County Commissioners, 2) any extension to the term of the redevelopment plan involving the continuing contribution by the taxing authorities beyond the date of original plan adoption, as may have been amended, shall be negotiated between each existing community redevelopment agency's local governing body and the Board of Broward County Commissioners, 3) the annual report shall include a comparison of redevelopment plan goals, objectives, and policies to annual program accomplishments and an analysis comparing current year tax base to the base year, in addition to the statutorily required financial statements.

Item 1 may not be applicable to the Davie CRA for quite a while as we did a major expansion in 1994 and a smaller expansion in 1997. Item 2 will require additional negotiating with the County to better detail. Presently, the Town's CRA has been receiving tax increment funds for the past 10 years and we amended the ordinance in 1997 to allow the Davie CRA to receive tax increment funding for an additional

30 years. By the authority delegated to the County in 1988, the Town has the authority to extend this issue by an additional 20 years without County approval, if the Town so desires. The County has challenged these previously approved delegations and believes that it has the power to remove them as a home rule charter county. But rather than fight this issue in the courts, the County is willing to negotiate a compromise.

The 3rd item regards the information to be provided to the County in an annual report. Presently, all CRA's are required to provide an annual report to the State and taxing authorities. The Davie CRA has provided more than the minimum requirements so this item should not be a problem. The Davie CRA has endorsed the approval of these three items to reach a compromise with the County.

One other item that the CRA's have requested of the County is the need for a definition of what constitutes a "substantial modification." County staff have put this item to the side, but it is a major item, impacting the CRA's in the County. This issue would only become an issue for Davie if we added additional property to the redevelopment area and only the plans for this area would be subject to a "substantial modification." Our existing redevelopment area is not presently subject to any review by the County and would continue not to be subject to any review by the County in the future. But, in order to provide some assurances if the Davie CRA was ever to expand again, it is recommended that the enclosed definition for "substantial modification" be included in this resolution.

The County Commission will be meeting on June 29th to discuss the CRA issues in Broward County. The County staff is requesting that the local governing bodies (Town Councils) of each affected municipality to approve these conceptual statements and the County would then consider them for approval, too. The legal counsels for the CRA's have recommended that such consent by the local governing bodies should be in a resolution format only, and not an interlocal agreement.

HOLLAND & KNIGHT LLP

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November 2, 2001

MEMORANDUM

TO:

Neil Kalis, Chair

Joan Kovac, Vice-Chair

Wayne Arnold Robert Boegli Irene Felton Lowell Goode Mickey Maros

FROM:

Susan F. Delegal

RE:

Legislation Proposed by Broward County Amending Chapter 163, Part

III, Florida Statutes

I have reviewed the proposed special act submitted by Broward County to the Broward County Legislative Delegation which contains amendments to Chapter 163, Part III, applicable only within Broward County (the "Bill"). The Bill amends certain sections of Part III of Chapter 163, the Community Redevelopment Act of 1969. It provides definitions for slum area and blighted area different from the statute and more difficult to meet in order to qualify an area as a community redevelopment area. It also provides that if a municipality desires to utilize increment from the tax base of Broward County, the municipality must obtain approval of the findings of slum and blight prior to creating a Community Redevelopment Agency ("CRA") and preparing a redevelopment plan. The Bill provides for procedures for annual reporting of activities of CRAs to the County. The County basically reserves to itself the power to make slum and blight findings, to grant approval of a community redevelopment plan, including modifications to the boundaries, approving an extension to the term of the plan, involving a continuing contribution by the County, and any change to a plan of such magnitude as would require a county or municipal land use plan amendment. The County also reserves to itself the right to approve issuance of bonds and other financing arrangements by a CRA.

The Bill states that it shall not affect any ongoing community redevelopment activity in a community redevelopment area created prior to October 1, 2001. However, it goes on to say that after October 1, 2001, any amendment to the boundaries of any existing community redevelopment area must be approved by a resolution of the County, as well as any amendments to the plan itself or extensions of time for the duration of the plan.

One troubling portion of the Bill, however, is contained in Section 2. This Section provides that in the process of finding necessity with respect to all community redevelopment agencies created, existing or operating within Broward County,, there must be a resolution finding slum and blight, including a detailed justification as to how the factors contained in the new definitions of slum and blight are met. This would appear to call into question slum and blight findings of any existing community redevelopment agency. Moreover, another section of the proposed Bill provides that if a slum and blight determination is successfully challenged by an affected party, the community redevelopment plan, and any subsequent activity taken within regard to that plan, will be rendered null and void. There is no definition of affected party contained in the Bill and for the first time legislation dealing with CRAs appears to grant standing and possibly create a quasi-judicial procedure for a challenge of a slum and blight determination. The new language appears to grant a right of entry into the process that the state law does not grant which may place all activities undertaken up to now by CRAs in jeopardy. I question whether or not these provisions will apply to the existing CRA of the Town of Davie.

The County's position is that existing CRAs are subject to the Bill only if they 1) change boundaries of a community redevelopment area; 2) extend the term of the plan; or 3) change the plan in a manner requiring a county or municipal land use plan amendment.

It is my understanding that the existing CRAs are working together to make their comments known to the Broward County Legislative Delegation regarding this Bill. Will Allen has been participating in this process. It is important that this Bill be tracked by all of the existing CRAs, and that changes be made in order to assure that the County's representations that CRAs, as they are currently operating within their areas of jurisdiction and timeframes originally adopted, are not affected by this Bill. It is also my understanding that there may be a move statewide, by various charter counties, to accomplish through general law what this legislation accomplishes within Broward County, particularly in the event that Broward November 2, 2001 Page 3

County does not pass the Bill as proposed. We will keep you apprised of the activities in this area.

cc: Will Allen

FTL1 #564153 v1